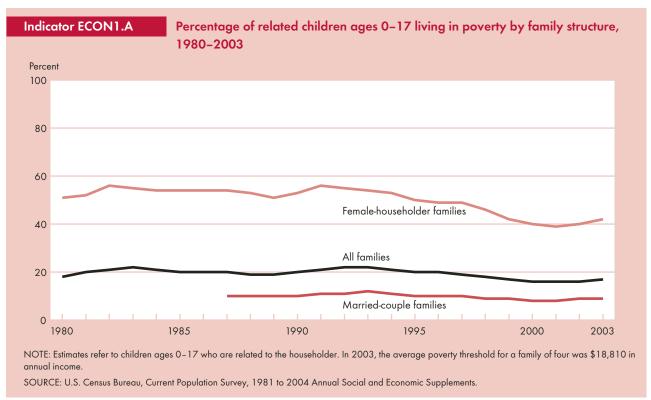


Child Poverty and Family Income

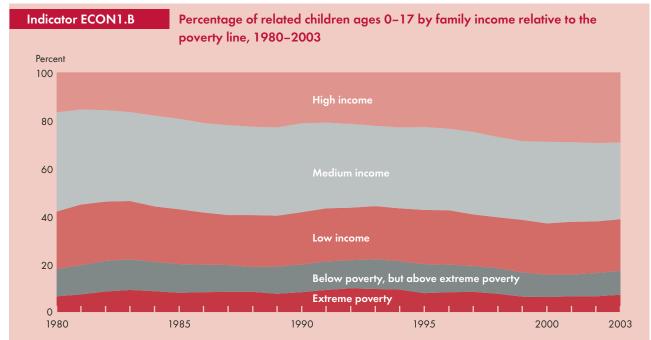
hildren in low-income families fare less well than children in more affluent families on many of the indicators presented in this report. Compared with children living in families above the poverty line, children living below the poverty line are more likely to have difficulty in school,⁴⁸ to become teen parents,⁴⁹ and, as adults, to earn less and be unemployed more frequently.⁴⁸ This indicator is the official poverty measure for the United States, which is based on OMB Statistical Policy Directive 14. In response to the National Academy of Science's recommendations, the U.S. Census Bureau is researching alternative poverty measures.⁵⁰



- The percentage of children living in families with incomes below their poverty threshold was 17 percent in 2003, up from 16 percent in 2002. The official poverty rate for children has fluctuated since the early 1980s: it reached a high of 22 percent in 1993 and decreased to 16 percent in 2000.⁵¹
- The poverty rate for children living in female-householder families (no spouse present) also fluctuated between 1980 and 1993, then declined more between 1993 and 2000 than the rate for all children in families. In 1993, 54 percent of children living in female-householder families were living in poverty; by 2003, this proportion had decreased to 42 percent. The percentage of Black-alone children living in female-householder families in poverty wavered around 66 percent until 1993, and has since declined to 50 percent in 2003.¹
- Children ages 0–5 were more likely to be living in families with incomes below the poverty line than children ages 6–17. In 2003, 20 percent of children ages 0–5 lived in poverty, compared with 16 percent of older children.

- Children in married-couple families were much less likely to be living in poverty than children living only with their mothers. In 2003, 9 percent of children in married-couple families were living in poverty, compared with 42 percent in female-householder families.
- This contrast by family structure differs among racial and Hispanic groups. For example, in 2003, 11 percent of Black-alone children in married-couple families lived in poverty, compared with 50 percent of Black-alone children in female-householder families.¹ Twenty-one percent of Hispanic children in married-couple families lived in poverty, compared with 51 percent in female-householder families.
- In 2003, 18 percent of all children ages 0–17 lived in poverty, up from 17 percent in 2002. The poverty rate was higher for Black-alone and Hispanic children than for White-alone, non-Hispanic children. In 2003, 10 percent of White-alone, non-Hispanic children lived in poverty, compared with 34 percent of Black-alone children and 30 percent of Hispanic children.¹

he full distribution of the income of children's families provides a broader picture of children's economic situations. The gap between affluent and poor children is an important measure for understanding the relative deprivation experience of poor children.



NOTE: Estimates refer to children ages 0-17 who are related to the householder. The income classes are derived from the ratio of the family's income to the family's poverty threshold. Extreme poverty is less than 50 percent of the poverty threshold (i.e., \$9,405 for a family of four in 2003). Below poverty, but above extreme poverty is 50-99 percent of the poverty threshold (i.e., from \$9,405 through \$18,809 for a family of four in 2003). Low income is 100-199 percent of the poverty threshold (i.e., from \$18,810 through \$37,619 for a family of four in 2003). Medium income is 200-399 percent of the poverty threshold (i.e., from \$37,620 through \$75,239 for a family of four in 2003). High income is 400 percent of the poverty threshold or more (i.e., \$75,240 or more for a family of four in 2003).

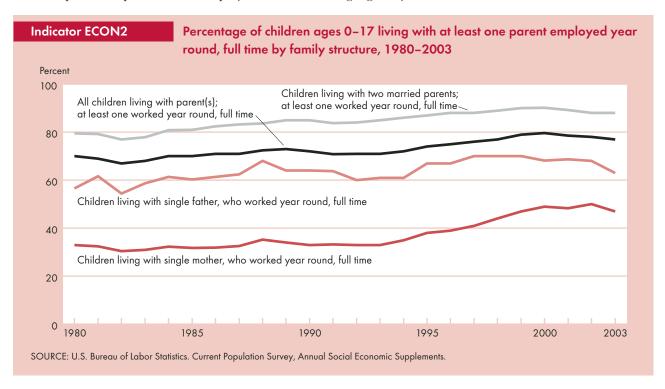
SOURCE: U.S. Census Bureau, Current Population Survey, 1981 to 2004 Annual Social and Economic Supplements.

- In 2003, more children lived in families with medium income (32 percent) than in families in other income groups. Smaller percentages of children lived in families with low income and with high income (22 and 29 percent, respectively).
- The percentage of children living in families with medium income fell from 41 percent in 1980 to 32 percent in 2003, while the percentage of children living in families with high income rose from 17 to 29 percent.
- The percentage of children living in families experiencing extreme poverty was 7 percent in 1980. This percentage rose to 10 percent in 1992 and decreased to 7 percent in 2003. Concurrently, three times as many children lived in families with very high incomes⁵³ in 2003 as in 1980 (13 and 4 percent, respectively).

Bullets contain references to data that can be found in Tables ECON1.A and ECON1.B on pages 115–120. Endnotes begin on page 73.

Secure Parental Employment

ecure parental employment reduces the incidence of poverty and its attendant risks to children. Since most parents who obtain health insurance for themselves and their children do so through their employers, a secure job can also be a key variable in determining whether children have access to health care. Secure parental employment may also enhance children's psychological well-being and improve family functioning by reducing stress and other negative effects that unemployment and underemployment can have on parents. ^{54,55} One measure of secure parental employment is the percentage of children whose resident parent or parents were employed full time during a given year.

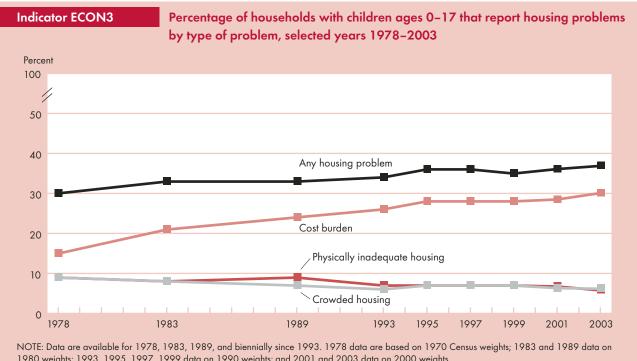


- The percentage of children who had at least one parent working year round, full time fell slightly in 2003 to 77 percent. This was slightly below its peak of 80 percent in 2000, but about the same as in 1998. Despite the decline, this proportion still remained quite high in its historical context; in the early 1990s, the proportion was 72 percent.
- In 2003, 88 percent of children living in married two-parent families had at least one parent who worked year round, full time. In contrast, 63 percent of children living with a single father and 47 percent of children living with a single mother had a parent who worked year round, full time.
- Children living in poverty were much less likely to have a parent working year round, full time than children living at or above the poverty line (30 percent and 86 percent, respectively, in 2003). For children living with two married parents, 52 percent of children living below the poverty line had at least one parent working year round, full time, compared with 91 percent of children living at or above the poverty line.
- Black, non-Hispanic children and Hispanic children were less likely than White, non-Hispanic children to have a parent working year round, full time. About 71 percent of Hispanic children and 61 percent of Black, non-Hispanic children lived in families with secure parental employment in 2003, compared with 82 percent of White, non-Hispanic children.
- In 2003, 29 percent of children in married twoparent families had both parents working year round, full time, up from 17 percent in 1980 but down slightly from the peak of 33 percent in 2000.

Bullets contain references to data that can be found in Table ECON2 on pages 121–122. Endnotes begin on page 73.

Housing Problems

nadequate, crowded, or costly housing can pose serious problems to children's physical, psychological, or material well-being.⁵⁶ The percentage of households with children that report that they are living in physically inadequate,⁵⁷ crowded, and/or costly housing provides an estimate of the percentage of children whose well-being may be affected by their family's housing.



1980 weights; 1993, 1995, 1997, 1999 data on 1990 weights; and 2001 and 2003 data on 2000 weights.

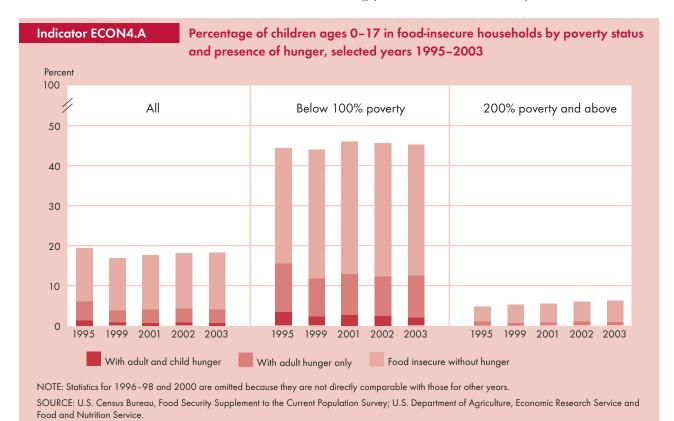
SOURCE: U.S. Census Bureau and the U.S. Department of Housing and Urban Development, American Housing Survey. Tabulated by the U.S. Department of Housing and Urban Development.

- In 2003, 37 percent of U.S. households (both owners and renters) with children had one or more of three housing problems: physically inadequate housing, crowded housing, or cost burden resulting from housing that costs more than 30 percent of household income.⁵⁸
- The share of U.S. households with children that reported any housing problems rose from 30 percent in 1978 to 36 percent in 1995 and has remained stable since.
- Inadequate housing, defined as housing with severe or moderate physical problems, has become slightly less common. In 2003, 6 percent of households with children had inadequate housing, compared with 9 percent in 1978.
- Crowded housing, defined as housing in which there is more than one person per room, has also declined slightly among households with children, from 9 percent in 1978 to 6 percent in 2003.
- Improvements in housing conditions, however, have been accompanied by rising housing costs. Between 1978 and 2003, the incidence of cost burdens among households with children doubled from 15 percent to 30 percent. The proportion with severe cost burdens, paying more than half of their income for housing, rose from 6 to 11 percent over the same period, although it has remained stable since 1993.
- Households that receive no rental assistance and have severe cost burdens or physical problems are defined as having severe housing problems.⁵⁹ The percentage of households with children facing severe housing problems was unchanged at 11 percent in 2003, and has been stable since 1993.
- Severe housing problems are especially prevalent among very-low-income renters.60 In 2003, 29 percent of very-low-income renter households with children reported severe housing problems, with severe cost burden as the major problem. This incidence reflects a decrease from the 33 percent with severe housing problems in 1993.

Bullets contain references to data that can be found in Table ECON3 on page 123. Endnotes begin on page 73.

Food Security and Diet Quality

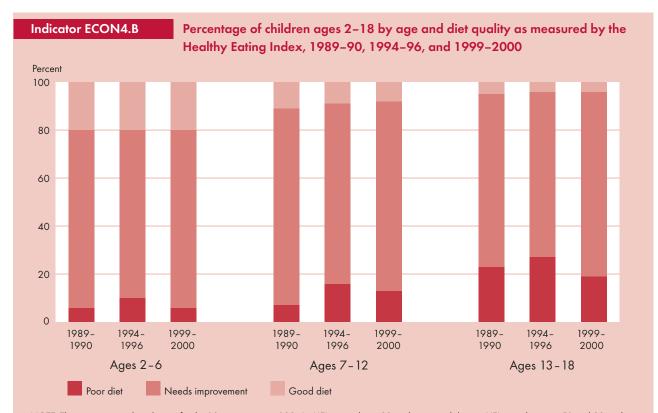
family's ability to provide for their children's nutritional needs is linked to the family's food security—that is, to its access at all times to enough food for an active, healthy life.⁶¹ Households are classified as food insecure based on reports of difficulty obtaining enough food, reduced diet quality, and anxiety about their food supply. These households are also more likely to report increased use of emergency food sources and other coping behaviors, and some of them report reduced food intake and hunger.⁶² In most of these households, children's eating patterns are disrupted to some extent, and in about 1 out of 4 food-insecure households, parents report reducing children's food intake at times because the household cannot afford enough food. However, children—especially younger children—in U.S. households are usually protected from hunger even if adults are hungry because they lack sufficient resources for food. Only in the most severely food-insecure households are both children and adults hungry due to the food insecurity in the household.⁶³



- About 13 million children (18 percent) lived in households that were classified as food insecure at times in 2003. However, only a small proportion of the households reported hunger among the children. In 2003, of the 18 percent of children who lived in food-insecure households, 14 percent lived in households classified as food insecure without hunger, 4 percent lived in households with hunger among adults only, and 0.6 percent lived in households with hunger among both adults and children.
- The percentage of children living in food-insecure households declined from 19 percent in 1995 to 17 percent in 1999, then increased to just over 18 percent in 2002 and 2003. The percentage of children living in households classified as food insecure with hunger among children declined

- from 1.3 percent in 1995 to 0.7 percent in 1999 and has remained in the range of 0.6 to 0.8 percent since then.
- The proportions of children living in food-insecure households were substantially above the national average (18 percent) for those living in poverty (45 percent), Black-alone, non-Hispanics (31 percent) and Hispanics (31 percent), those whose parents or guardians lacked a high school diploma (38 percent), and those living with a single mother (34 percent).¹

he diet quality of children and adolescents is of concern because poor eating patterns established in childhood usually transfer to adulthood. Such patterns are major factors in the increasing rate of child obesity over the past decades and are contributing factors to certain diseases. The Healthy Eating Index (HEI) is a summary measure of diet quality. The HEI consists of 10 components, each representing different aspects of a healthful diet. Components 1 through 5 measure the degree to which a person's diet conforms to the U.S. Department of Agriculture's Food Guide Pyramid serving recommendations for the five major food groups: grains, vegetables, fruits, milk, and meat/meat alternatives. Components 6 and 7 measure fat and saturated fat consumption. Components 8 and 9 measure cholesterol intake and sodium intake, and component 10 measures the degree of variety in a person's diet. Scores for each component are given equal weight and added to calculate an overall HEI score. This overall HEI score is then used to determine diet quality based on a scale established by nutrition experts.⁶⁴



NOTE: The maximum combined score for the 10 components is 100. An HEI score above 80 implies a good diet, an HEI score between 51 and 80 implies a diet that needs improvement, and an HEI score less than 51 implies a poor diet. Data for three time periods are not necessarily comparable because of methodological differences in data collection.

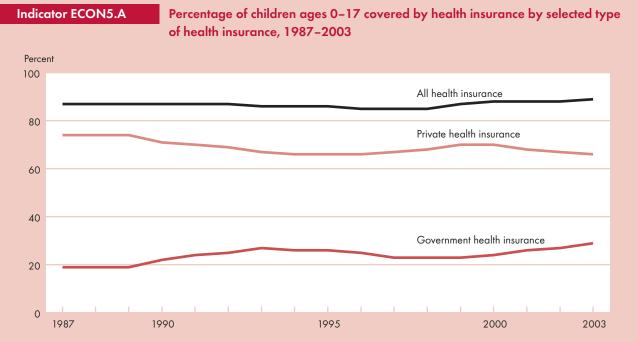
SOURCE: U.S. Department of Agriculture, Center for Nutrition Policy and Promotion (1989-90 and 1994-96), Continuing Survey of Food Intake of Individuals, and 1999-2000 National Health and Nutrition Examination Survey (1999-2000).

- In 1999–2000, as in previous years, most children had a diet that was poor or needed improvement, as indicated by their HEI score.
- As children get older, their diet quality declines. In 1999–2000, among children ages 2–6, 20 percent had a good diet, 74 percent had a diet needing improvement, and 6 percent had a poor diet. For those ages 7–12, 8 percent had a good diet, 79 percent had a diet needing improvement, and 13 percent had a poor diet. For children ages 13–18, 4 percent had a good diet, 77 percent had a diet needing improvement, and 19 percent had a poor diet.
- The lower quality diets of older children are linked to declines in their fruit and sodium scores.
- Children in families below poverty are less likely than higher income children to have a diet rated as good. In 1999–2000, for children ages 2–6, 17 percent of those in poverty had a good diet, compared with 22 percent of those living at or above the poverty line.

Bullets contain references to data that can be found in Tables ECON4.A–ECON4.D on pages 124–129. Endnotes begin on page 73.

Access to Health Care

hildren with health insurance (government or private) are more likely than children without insurance to have a regular and accessible source of health care. The percentage of children who have health insurance coverage for at least part of the year is one measure of the extent to which families can obtain preventive care or health care for a sick or injured child.

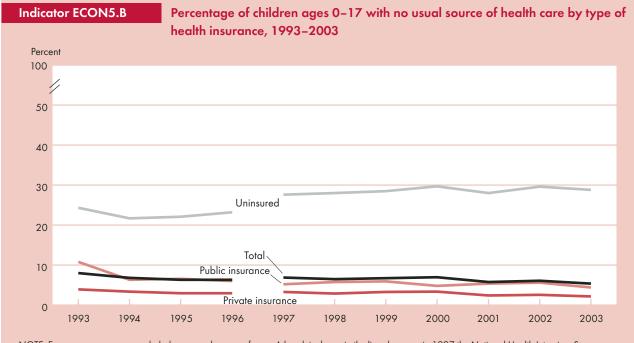


NOTE: Government health insurance for children consists primarily of Medicaid, but also includes Medicare, SCHIP (the State Children's Health Insurance Programs), and CHAMPUS/Tricare, the health benefit program for members of the armed forces and their dependents. Estimates beginning in 1999 include follow-up questions to verify health insurance status. Estimates for 1999 through 2003 are not directly comparable with earlier years, before the verification questions were added. Children are considered to be covered by health insurance if they had government or private coverage any time during the year.

SOURCE: U.S. Census Bureau, unpublished tables based on analyses from the Current Population Survey, 1988 to 2004 Annual Social and Economic Supplements.

- In 2003, 89 percent of children had health insurance coverage at some point during the year. Between 85 and 89 percent of children have had health insurance in each year since 1987.
- The number of children who had no health insurance at any time during 2003 was 8.4 million (11 percent of all children), which was similar to 2002.
- The proportion of children covered by private health insurance decreased from 74 percent in 1987 to 66 percent in 1994, increased to 70 percent in 1999, and dropped to 66 percent in 2003. During the same time period, the proportion of children covered by government health insurance grew from 19 percent in 1987 to 27 percent in 1993. Government health insurance decreased until 1999 and then began to climb again to 29 percent in 2003. 65
- Hispanic children are less likely to have health insurance than either White-alone, non-Hispanic or Black-alone children. In 2003, 79 percent of Hispanic children were covered by health insurance, compared with 93 percent of White-alone, non-Hispanic children and 86 percent of Black-alone children.¹
- The proportion of children covered by any health insurance is about the same across age groups. The type of insurance, however, varies by the age of the child: government-provided insurance is more prevalent among younger children, while private health insurance is more common among older children.

he health of children depends at least partially on their access to health services. Health care for children includes physical examinations, preventive care, health education, observations, screening, immunizations, and sick care. Having a usual source of care—a particular person or place a child goes for sick and preventive care—facilitates the timely and appropriate use of pediatric services. Emergency rooms are excluded here as a usual source of care because their focus on emergency care generally excludes the other elements of health care.



NOTE: Emergency rooms are excluded as a usual source of care. A break is shown in the lines because in 1997 the National Health Interview Survey was redesigned. Data for 1997-2003 are not strictly comparable with earlier data.

SOURCE: Centers for Disease Control and Prevention, National Center for Health Statistics, National Health Interview Survey.

- In 2003, 5 percent of children had no usual source of health care, which is the lowest percentage recorded since 1993.
- Uninsured children are much more likely to have no usual source of care than are children who have health insurance. Children who were uninsured were 13 times as likely as those with private insurance to have no usual source of care in 2003.
- There are differences in the percentage of children having no usual source of care by type of health insurance coverage. In 2003, children with public insurance, such as Medicaid, were more likely to have no usual source of care than were children with private insurance (4 percent and 2 percent, respectively).
- In 2003, 11 percent of children in families with incomes below the poverty threshold had no usual source of health care.
- Older children are slightly more likely than younger children to lack a usual source of health care. In 2003, 6 percent of children ages 5–17 had no usual source of care, compared with 3 percent of children ages 0–4.

Bullets contain references to data that can be found in Tables ECON5.A and ECON5.B on pages 130–132. Endnotes begin on page 73.

Indicators Needed

Economic Security

Economic security is multifaceted, and several measures are needed to adequately represent its various aspects. While this year's report continues to provide some information on economic and food security, additional indicators are needed on:

- Economic well-being. Economic well-being over time needs to be anchored in an average standard of living context. Multiple measures of family income or consumption, some of which might incorporate estimates of various family assets, could produce more reliable estimates of changes in children's economic well-being over time.
- Long-term poverty among families with children. Although Federal data are available on child poverty and alternative measures are being developed (see Indicators ECON1.A and ECON1.B, Child Poverty and Family Income, and the discussion of alternative poverty rates on page 120), the surveys that collect these data do not capture information on long-term poverty. Long-term poverty among children can be estimated from existing longitudinal surveys, but changes to current surveys would be needed to provide estimates on a regular basis. Since long-term poverty can have serious negative consequences for children's well-being, regularly collected and reported data are needed to produce regular estimates.
- Homelessness. At present, there are no regularly collected data on the number of homeless children in the United States, although there have been occasional studies aimed at estimating this number.